

# OREGON STATE UNIVERSITY

## SUPPLEMENTAL GENERAL CONDITIONS

To The

### PUBLIC IMPROVEMENT GENERAL CONDITIONS

**Project Name: Magruder Hall Hospital Expansion & Renovation**

**The following modify the November 1, 2016 Oregon State University General Conditions (“OSU Public Improvement General Conditions”) for this Contract. Where a portion of the OSU General Conditions is modified by these Supplemental General Conditions, the unaltered portions shall remain in effect.**

SG-1 Section B.4 is modified as follows: Revise to read:

“Contractor shall obtain and pay for all necessary permits and licenses, except for those specifically excluded in the Supplemental General Conditions, for the construction of the Work, for temporary obstructions, enclosures, opening of streets for pipes, walls, utilities, environmental Work, etc., as required for the project. Owner shall obtain and pay for the general building permit and pay for any specialty permits required for the Work. Contractor shall be responsible for all violations of the law, in connection with the construction or caused by obstructing streets, sidewalks or otherwise. Contractor shall give all requisite notices to public authorities. The Contractor shall pay all royalties and license fees. The Contractor shall defend all suits or claims for infringement of any patent or other proprietary rights and save harmless and blameless from loss, on account thereof, Oregon State University, and its departments, divisions, members and employees.

SG-2 Section F.2.4 is modified as follows: Add the following:

“Contractor shall verify that all mechanical or electrical equipment in the construction areas that may be affected by the Work is in working order and shall notify the Owner, in writing, of any equipment not in working order prior to the start of the Work. Start of Work will be considered as acknowledgement that all equipment is in good working order. Contractor shall be required to restore equipment to its original, or better, condition upon completion of the project.”

SG-3 Section G.3 is replaced with the following:

“G.3.1 General Requirements. The required insurance amounts set forth below do not in any way limit the amount or scope of liability of Contractor under this Contract. The amounts listed indicate only the minimum amounts of insurance coverage Owner is

willing to accept to help insure full performance of all terms and conditions of this Contract.

G.3.1.1 Primary Coverage and Non-Contributory Coverage. Insurance carried by Contractor under this Contract shall be primary and non-contributory coverage. The coverages indicated are minimums unless otherwise specified in the Contract Documents.

G.3.1.2 Company Ratings. All policies of insurance must be written by companies having an A.M. Best rating of no less than "A-VII", or equivalent. Owner may, upon thirty (30) days written notice to Contractor, require Contractor to change any carrier whose rating drops below an "A-VII" rating. Eligible insurers include admitted insurers that have been issued a certificate of authority from the Oregon Department of Consumer and Business Services authorizing them to conduct an insurance business and issue policies of insurance in the state of Oregon, and certain non-admitted surplus lines insurers that satisfy the requirements of applicable Oregon law and which are subject to approval the Owner.

G.3.1.3 Additional Insured. Each liability policy, except Workers' Compensation and Professional Liability, shall be endorsed to include Owner, its officers, trustees, employees and agents as additional insured but only with respect to the Contractor's activities to be performed under this Contract.

If Contractor cannot obtain an insurer to name the Owner as additional insured, Contractor shall obtain at Contractor's expense, and keep in effect during the term of this Contract, Owners and Contractors Protective Liability Insurance, naming the Owner as additional insured with minimum limits of \$2,000,000 per occurrence and \$2,000,000 aggregate. This policy must be kept in effect for 36 months following Final Completion. As evidence of coverage, Contractor shall furnish the actual policy to Owner prior to execution of the Contract.

G.3.1.4 Notice of Cancellation or Change. If the Contractor receives a non-renewal or cancellation notice from an insurance carrier affording coverage required herein, or receives notice that coverage no longer complies with the insurance requirements herein, Contractor agrees to notify Owner by fax within five (5) business days with a copy of the non-renewal or cancellation notice, or written specifics as to which coverage is no longer in compliance. When notified by Owner, the Contractor agrees to stop Work pursuant to this Contract, unless all required insurance remain in effect. Any failure to comply with the reporting provisions of this insurance, except for the potential exhaustion of aggregate limits, shall not affect the coverages provided to the Owner.

Owner shall have the right, but not the obligation, of prohibiting Contractor from entering the Work site until a new certificate(s) of insurance is provided to Owner evidencing the replacement coverage. The Contractor agrees Owner reserves the right to withhold payment to Contractor until evidence of reinstated or replacement coverage is provided to Owner.

G.3.1.5 Deductibles and Self-insured Retentions. Any deductible, self-insured retention and/or self-insurance in excess of \$50,000 shall be subject to approval by the Owner in writing and shall be a condition precedent to the effectiveness of any Contract.

G.3.2 Workers' Compensation: All employers, including Contractor, that employ subject workers who work under this Contract in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. This shall include Employer's Liability Insurance with minimum limits of \$1,000,000 each accident; \$1,000,000 disease-each employee; and \$1,000,000 disease-policy limit. Contractors who perform the Work without the assistance or labor of any employee need not obtain such coverage if the Contractor certifies so in writing. Contractor shall ensure that each of its Subcontractors complies with these requirements. The Contractor shall require proof of such Workers' Compensation coverage by receiving and keeping on file a certificate of insurance from each Subcontractor or anyone else directly employed by either the Contractor or its Subcontractors.

G.3.3 Commercial General Liability. Upon issuance of a Contract, Contractor shall obtain, and keep in effect at Contractor's expense for the term of the Contract, Commercial General Liability Insurance covering bodily injury and property damage in the minimum amount of \$2,000,000 per occurrence and \$4,000,000 aggregate. This insurance shall include personal injury liability, products and completed operations, and contractual liability coverage for the indemnities provided under this Contract (to the extent contractual liability coverage for the indemnity is available in the marketplace).

G.3.4 Automobile Liability. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Contract, Automobile Liability Insurance with "symbol 1" coverage (owned, hired and non-owned vehicles). The coverage may be written in combination with the Commercial General Liability Insurance. Contractor shall provide proof of insurance showing minimum limits of \$1,000,000 combined single limit. Contractor and its Subcontractors shall be responsible for ensuring that all non-owned vehicles maintain adequate Automobile Liability insurance while onsite.

G.3.5 Umbrella Liability. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Contract, Umbrella Liability Insurance over and above General Liability, Automobile Liability and Employers' Liability insurance coverage with minimum limits of \$5,000,000 per occurrence and \$5,000,000 aggregate.

G.3.6 Owner may adjust the insurance amounts required in Section G.3.3, G.3.4, and G.3.5 through the issuance of Supplemental General Conditions and a Contract.

G.3.7 Professional Liability (if required by Owner through issuance of Supplemental General Conditions). Contractor shall obtain, at Contractor's expense, Professional Liability/Errors & Omissions insurance covering damages caused by any negligent error, omission, or professional misconduct of the Contractor. The policy may be either a

practice based policy or a policy pertaining to the specific Project. Professional Liability insurance shall have minimum limits of \$3,000,000 each claim and \$3,000,000 aggregate.

G.3.7.1 Tail Coverage. If the Professional Liability insurance is arranged on a “claims made” basis, tail coverage will be required at the completion of this Contract for a duration of 36 months of maximum time period available in the marketplace if less than 36 months. Contractor shall furnish certificates of insurance showing tail coverage as described or continuous “claims made” liability coverage for 36 months following Final Completion. Continuous “claims made” coverage will be acceptable in lieu of tail coverage, provide its retroactive date is on or before the effective date of this Contract. Owner’s receipt of the certificate of insurance and/or endorsement evidencing such coverage shall be a condition precedent to Owner’s obligation to make final payment and to Owner’s final acceptance of Work or Services and related warranty (if any).

G. 3.8 Contractor’s Pollution Liability (if required by Owner through issuance of Supplemental General Conditions). Contractor shall obtain, at Contractor’s expense, and keep in effect during the term of this Contract, Pollution Liability Insurance in minimum amounts of \$3,000,000 per occurrence and \$3,000,000 aggregate, naming Owner as additional insured as noted in the Additional Insured section.

G.3.9 Builders' Risk Insurance – Completed Value Basis. Unless otherwise provided, the Contractor shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located, Builders' Risk Insurance in the amount of the initial Contract Sum, plus value of subsequent modifications, change orders, and cost of material supplied or installed by others, comprising total value of the entire Project at the site on a replacement cost basis without optional deductibles. The earthquake and flood insurance sub-limits will be equal to the maximum probable loss.

G.3.9.1 Policy must provide coverage from the time any covered property becomes the responsibility of the Contractor, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation site, or awaiting installation, whether on or off site.

G.3.9.2 Such Builders' Risk Insurance shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the OSU has insurable interest in the property to be covered, whichever is later.

G.3.9.3 The Builders' Risk insurance shall include the Owner, the Contractor, subcontractors and sub-tier contractors in the Project as named insureds on the policy, and shall include a waiver of subrogation provision in favor of all parties.

G.3.9.4 The Builders' Risk Coverage shall be written on a **Special** Covered Cause of Loss

form and shall include theft, vandalism, malicious mischief, collapse, false-work, temporary buildings, transit, debris removal including demolition, increased cost of construction, architect's fees and expenses, flood (including water damage), earthquake, and if applicable, all below and above ground structures, piping, foundations including underground water and sewer mains, piling including the ground on which the structure rests and excavation, backfilling, filling, and grading.

G.3.9.5 The Builders' Risk shall include a Beneficial Occupancy Clause. The policy shall specifically permit occupancy of the building during construction. Contractor shall take reasonable steps to obtain consent of the insurance company and delete any provisions with regard to restrictions within any Occupancy Clauses within the Builder's Risk Policy. The Builder's Risk Policy shall remain in force until final payment has been made on the project by OSU.

G.3.9.6 Equipment Breakdown Coverage (a.k.a. Boiler & Machinery) shall be included as required by the Contract Documents or by law, which shall specifically covers insured equipment during installation and testing (including cold and hot testing).

G.3.9.7 The Builders' Risk shall include loss of use due to delays in project completion caused by covered peril losses to the Project, including loss of income and rents and soft costs.

G.3.9.8 The deductible shall not exceed \$50,000 for physical damage and shall be the responsibility of the Contractor. The deductible shall be paid by the Contractor if the Contractor is negligent. The earthquake and flood deductible shall not exceed 2 percent of each loss or \$50,000, whichever is greater.

G.3.9.9 OSU shall be provided with a certificate of insurance, as well as a copy of the policy.

G.3.9.10 The Contractor shall be responsible for the payment of premium, giving or receiving notice of cancellation; and requesting amendments to this policy and accepting amendments to this policy made by the company.

G.3.9.11 OSU reserves the right, but not the obligation, to purchase the Builder's Risk insurance policy.

G.3.10 Builder's Risk Installation Floater. For Work other than new construction, Contractor shall obtain and keep in effect during the term of this Contract, a Builder's Risk Installation Floater for coverage for the Contractor's labor, materials and equipment to be used for completion of the work performed under this Contract. The minimum amount of coverage to be carried shall be equal to the full amount of the Contract. The policy will include as loss payees Owner, the Contractor and its Subcontractors as their interests may appear. Owner may waive this requirement at their sole and absolute discretion.

G.3.11 Certificate(s) of Insurance. As evidence of the insurance coverage required by this Contract, the Contractor shall furnish certificate(s) of insurance to the Owner prior to the execution of the Contract. The certificate(s) will specify all of the parties who are additional insured or loss payees for this Contract, and the applicable endorsements will be attached. Additional insured endorsements must include completed operations without restriction to contractual requirements.

G.3.12 Subcontractors. The Contractor shall require Subcontractors to have insurance as outlined in section G.3.1 through G.3.4; however, the policy limits may be reduced, but no case shall the policy limits be less than \$1,000,000.”

SG-4 Section H.2.1 is replaced with the following:

"Contractor shall provide, by or before the pre-construction conference, a detailed schedule for review and acceptance by the Owner. The submitted schedule must illustrate Work by significant project components, significant labor trades, long lead items, broken down by building and/or floor where applicable. Each schedule item shall account for no greater than 5% of the monetary value of the project or 5% of the available time. Schedules with activities of less than one day or valued at less than 1% of the Contract shall be considered too detailed and shall not be accepted. Schedules lacking adequate detail, or unreasonably detailed, shall be rejected. Included within the schedule are the following: Notice to Proceed, Substantial Completion, and Final Completion. Contractor shall provide an updated, full project schedule with each payment request. In addition, twice monthly, the Contractor shall provide an updated three-week forward-looking schedule. Acceptance of the Schedule by the Owner does not constitute agreement by the Owner as to the Contractor's sequencing, means, methods, or durations. Any positive difference between the Contractor's scheduled completion and the contract completion date is float owned by the Project. Use of the float shall be negotiated. In no case shall the Contractor make a claim for delays if the Work is completed within the Contract time but after Contractor's scheduled completion."